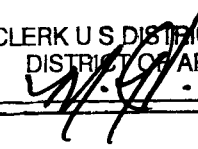


1 JOHN S. LEONARDO
2 United States Attorney
District of Arizona

3 MONICA B. KLAPPER
4 Assistant U.S. Attorney
Arizona State Bar No. 013755
5 Two Renaissance Square
40 N. Central Ave., Suite 1200
6 Phoenix, Arizona 85004
Telephone: 602-514-7500
7 Email: Monica.Klapper@usdoj.gov
Attorneys for Plaintiff

<input checked="" type="checkbox"/> FILED	<input type="checkbox"/> LODGED
<input type="checkbox"/> RECEIVED	<input type="checkbox"/> COPY
NOV 17 2015	
CLERK U.S. DISTRICT COURT DISTRICT OF ARIZONA	
BY 	DEPUTY

8
9 IN THE UNITED STATES DISTRICT COURT
10 FOR THE DISTRICT OF ARIZONA

11 United States of America,
12
13 Plaintiff,
14
15 vs.
16 William Schwoerer,
17 Defendant.

NO. CR-15-01436-PHX-SPL

INFORMATION

VIO: 18 U.S.C. § 371
Conspiracy
Count 1

17 THE UNITED STATES ATTORNEY CHARGES:

18 At all times relevant to this Information, in the District of Arizona and elsewhere:

19 **BACKGROUND**

20 1. WILLIAM SCHWOERER was a residential developer and builder,
21 operating through his company Cordel Contracting Corporation. He was married to C.S.,
22 who owned Apex Financial, LLC.

23 2. **New River Vacant Land.** In August of 2006, SCHWOERER purchased
24 10 acres of vacant land for \$800,000 in New River, Arizona, using his brother-in-law and
25 friend, Bryce E., as the nominal owner. SCHWOERER supplied a \$250,000 down
26 payment in the name of Bryce E. and assisted with the monthly payments on the
27 property.

28 a. In February of 2010, after the downturn in the residential real estate

1 market, SCHWOERER e-mailed Bryce E. a plan to defraud the property lender, M&I
2 Bank (now BMO Harris Bank), by short selling the property to SCHWOERER “for
3 pennies on the dollar.”

4 b. In a subsequent short sale, the parties submitted a statement attesting
5 that the parties were conducting “an ‘arms length’ transaction, with there being no
6 personal, family or business relationships between the buyer and seller.”

7 c. In the short sale, Shelly B. of DPR Realty represented both the buyer
8 and the seller and was aware of the relationship between the parties.

9 c. The property was short sold to SCHWOERER’s wife, C.S., for
10 \$50,000 on August 20, 2010; as a result of the transaction, M&I Bank lost \$473,088.40.

11 3. **Sabrosa Property.** In August of 2009, LeeAnn E., mother of Bryce E.,
12 purchased a home from SCHWOERER at 101 East Sabrosa Drive in New River,
13 Arizona, for \$630,000, as a nominal owner.

14 a. In December of 2010, SCHWOERER attempted to short sell the
15 home to his wife, Carena S., for \$250,000.

16 b. Real estate agent Shelly B. of DPR Realty, again aware of the
17 relationship between the parties and representing both the buyer and the seller, sought to
18 close the transaction; she sought to have SCHWOERER electronically sign documents on
19 behalf of nominal owner LeeAnn E.

20 c. The lender, M&I Bank, was alerted to the fraudulent nature of this
21 transaction by a third party who sought to purchase the home in the short sale for the full
22 short sale price of \$290,000. M&I Bank ultimately rejected all short sale offers, the
23 property went into foreclosure, and the property was sold at auction for \$292,000 in April
24 of 2011, resulting in a loss of \$336,257.50 to M&I Bank.

25 **COUNT 1**
26 **Conspiracy**
27 **18 U.S.C. § 371**

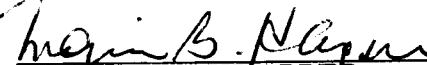
28 The factual allegations in paragraphs 1 through 3 are incorporated by reference

1 and re-alleged as though fully set forth herein.

2 4. Between about January 2006 through on or about April of 2011, in the
3 District of Arizona and elsewhere, Defendant WILLIAM SCHWOERER, individually
4 and doing business under the entities described above, along with other individuals and
5 entities described above, knowingly and willfully conspired and schemed to commit the
6 following offense against the United States: bank fraud, in violation of 18 U.S.C. § 1344.
7 Defendant knowingly and intentionally conspired and schemed to defraud M&I Bank
8 (now BMO Harris Bank), which is FDIC-insured, by providing materially false
9 statements and omissions to M&I Bank with the intent to defraud. In furtherance of the
10 conspiracy, Defendant committed the following overt act, among others: On or about
11 August 20, 2010, Defendant caused to be submitted to M&I Bank, for the purpose of
12 obtaining approval for a short sale, a document falsely attesting that the parties to the
13 short sale were not related, when in fact the parties were family members and friends.
14 This conduct was in violation of 18 U.S.C. § 371.

15 Dated this 27th day of October, 2015.

16 JOHN S. LEONARDO
17 United States Attorney
18 District of Arizona

19 
20 MONICA B. KLAPPER
21 Assistant U.S. Attorney
22
23
24
25
26
27
28